

CITY OF BISMARCK DEFERRED SICK LEAVE FUND
INVESTMENT PERFORMANCE REPORT AS OF JUNE 30, 2004

	June-04					March-04				December-03				September-03				Current FYTD	Prior Year FY03	3 Years Ended 6/30/2003	5 Years Ended 6/30/2003
	Allocation		Quarter Net ROR	Month Net ROR		Allocation		Quarter Net ROR		Allocation		Quarter Net ROR		Allocation		Quarter Net ROR		Net	Net	Net	Net
	Market Value	Actual				Market Value	Actual			Market Value	Actual			Market Value	Actual						
LARGE CAP DOMESTIC EQUITY																					
<i>Structured Growth</i>																					
Los Angeles Capital	10,166	1.5%	1.5%	2.95%	1.80%	10,576	1.6%	1.5%	-0.33%	10,309	1.6%	1.5%	9.14%	9,445	1.5%	1.5%	N/A	N/A	N/A	N/A	N/A
AllianceBernstein	-	0.0%	0.0%	N/A	N/A	0	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	N/A	-1.88%	-21.24%	N/A
Total Structured Growth	10,166	1.5%	1.5%	2.95%	1.80%	10,576	1.6%	1.5%	-0.33%	10,309	1.6%	1.5%	9.14%	9,445	1.5%	1.5%	4.99%	17.58%	-1.88%	-21.24%	N/A
<i>Russell 1000 Growth</i>				1.94%	1.25%				0.79%				10.41%				3.92%	17.88%	2.94%	-21.54%	N/A
<i>Structured Value</i>																					
LSV	10,297	1.6%	1.5%	2.33%	3.97%	10,463	1.6%	1.5%	6.26%	10,413	1.6%	1.5%	15.69%	9,015	1.5%	1.5%	3.78%	30.56%	-2.25%	8.84%	N/A
<i>Russell 1000 Value</i>				0.88%	2.36%				3.03%				14.19%				2.06%	21.13%	-1.02%	-0.19%	N/A
<i>Russell 1000 Enhanced Index</i>																					
LA Capital	21,115	3.2%	3.0%	-0.09%	2.15%	-	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	N/A	N/A	N/A	N/A
Russell 1000				1.40%	1.80%				N/A				N/A				N/A	N/A	N/A	N/A	N/A
<i>S&P 500 Enhanced Index</i>																					
Westridge	20,546	3.1%	6.0%	-0.26%	1.95%	-	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	N/A	N/A	N/A	N/A
S&P 500				1.72%	1.94%				N/A				N/A				N/A	N/A	N/A	N/A	N/A
<i>Index</i>																					
State Street	6,194			1.68%	1.92%	4,212			1.68%	46,661			12.15%	41,598	6.7%	7.0%	2.64%	19.01%	0.23%	-11.28%	N/A
Transition Account	-			N/A	N/A	42,561			N/A	N/A			N/A	N/A			N/A	N/A	N/A	N/A	N/A
Total Index	6,194	0.9%	1.0%	1.68%	1.92%	46,773	7.0%	7.0%	1.68%	46,661	7.2%	7.0%	12.15%	41,598	6.7%	7.0%	2.64%	19.01%	0.23%	-11.28%	N/A
S&P 500				1.72%	1.94%				1.69%				12.18%				2.64%	19.11%	0.25%	-11.20%	N/A
TOTAL LARGE CAP DOMESTIC EQUITY	68,317	10.3%	10.0%	1.96%	2.28%	67,813	10.1%	10.0%	2.91%	67,384	10.4%	10.0%	12.21%	60,057	9.7%	10.0%	3.16%	21.46%	-0.48%	-9.33%	N/A
S&P 500				1.72%	1.94%				1.69%				12.18%				2.64%	19.11%	0.25%	-11.20%	N/A
SMALL CAP DOMESTIC EQUITY																					
<i>Manager-of-Managers</i>																					
SEI	33,486	5.1%	5.0%	-0.91%	3.15%	36,606	5.5%	5.0%	6.66%	34,334	5.3%	5.0%	14.88%	29,896	4.8%	5.0%	9.54%	32.99%	0.09%	N/A	N/A
<i>Russell 2000 + 200bp</i>				0.98%	4.38%				6.78%				15.07%				9.60%	35.99%	0.36%	N/A	N/A
TOTAL SMALL CAP DOMESTIC EQUITY	33,486	5.1%	5.0%	-0.91%	3.15%	36,606	5.5%	5.0%	6.66%	34,334	5.3%	5.0%	14.88%	29,896	4.8%	5.0%	9.54%	32.99%	0.09%	-3.49%	N/A
<i>Russell 2000</i>				0.47%	4.21%				6.26%				14.52%				9.07%	33.36%	-1.63%	-3.30%	N/A
CONVERTIBLES																					
TCW	67,738	10.2%	10.0%	2.30%	2.54%	68,654	10.3%	10.0%	2.51%	66,985	10.3%	10.0%	9.99%	60,901	9.8%	10.0%	1.86%	17.50%	10.23%	-9.51%	N/A
<i>First Boston Convertible Index</i>				-0.13%	1.19%				2.57%				8.54%				2.67%	14.16%	15.46%	-3.77%	N/A
INTERNATIONAL EQUITY																					
<i>Large Cap - Active</i>																					
Capital Guardian	52,544	7.9%	8.0%	-1.02%	1.01%	56,345	8.4%	8.0%	3.54%	54,319	8.4%	8.0%	13.07%	48,422	7.8%	8.0%	8.18%	25.36%	-10.31%	-15.85%	N/A
<i>MSCI EAFE - 50% Hedged</i>				1.16%	2.28%				4.09%				13.15%				6.58%	26.98%	-11.24%	-15.51%	N/A
<i>Small Cap - Value</i>																					
Lazard	7,221	1.1%	1.0%	4.81%	4.19%	7,568	1.1%	1.0%	8.63%	6,957	1.1%	1.0%	14.50%	6,572	1.1%	1.0%	9.92%	43.30%	N/A	N/A	N/A
<i>Citigroup Broad Market Index < \$2BN</i>				-0.16%	4.60%				12.80%				13.31%				15.95%	47.95%	N/A	N/A	N/A
<i>Small Cap - Growth</i>																					
Vanguard	6,910	1.0%	1.0%	-0.03%	3.37%	7,106	1.1%	1.0%	10.37%	7,465	1.2%	1.0%	14.06%	6,376	1.0%	1.0%	14.95%	44.68%	N/A	N/A	N/A
<i>SSB BROAD MARKET INDEX < \$2BN</i>				-0.16%	4.60%				12.80%				13.31%				15.95%	47.95%	N/A	N/A	N/A
TOTAL INTERNATIONAL EQUITY	66,674	10.1%	10.0%	-0.20%	1.61%	71,019	10.6%	10.0%	4.79%	68,741	10.6%	10.0%	13.32%	61,371	9.9%	10.0%	9.00%	29.16%	-9.20%	-15.51%	N/A
<i>MSCI EAFE - 50% Hedged</i>				1.16%	2.28%				4.09%				13.15%				6.58%	26.98%	-11.24%	-15.51%	N/A
DOMESTIC FIXED INCOME																					
<i>Core Bond</i>																					
Western Asset	137,467	20.8%	20.0%	-1.94%	1.00%	200,549	30.0%	30.0%	2.96%	195,212	30.1%	30.0%	1.61%	191,349	30.9%	30.0%	-0.17%	2.42%	12.77%	11.23%	N/A
<i>Lehman Aggregate</i>				-2.44%	0.57%				2.66%				0.32%				-0.14%	0.32%	10.39%	10.07%	N/A
<i>Index</i>																					
Bank of ND	178,275	27.0%	30.0%	-2.47%	0.34%	110,353	16.5%	18.0%	3.01%	104,608	16.1%	18.0%	0.07%	104,675	16.9%	18.0%	-0.46%	0.07%	13.26%	10.87%	N/A
<i>Lehman Intermediate Gov/Credit (1)</i>				-2.52%	0.30%				3.08%				-0.03%				-0.50%	-0.05%	13.14%	10.82%	N/A
<i>BBB Average Quality</i>																					
Strong	76,281	11.5%	10.0%	-3.47%	0.55%	81,323	12.2%	12.0%	3.30%	80,805	12.4%	12.0%	1.46%	80,215	13.0%	12.0%	0.02%	1.18%	17.91%	N/A	N/A
<i>Lehman US Credit BAA</i>				-2.86%	1.19%				3.41%				1.22%				0.27%	1.96%	18.33%	N/A	N/A
TOTAL DOMESTIC FIXED INCOME	392,023	59.3%	60.0%	-2.51%	0.61%	392,224	58.6%	60.0%	3.05%	380,625	58.6%	60.0%	1.15%	376,239	60.8%	60.0%	-0.21%	0.79%	13.18%	10.80%	N/A
<i>Lehman Gov/Credit</i>				-3.17%	0.41%				3.08%				-0.03%				-0.50%	-0.72%	13.14%	10.82%	N/A
CASH EQUIVALENTS																					
<i>Bank of ND</i>	32,926	5.0%	5.0%	0.31%	0.12%	32,693	4.9%	5.0%	0.29%	30,994	4.8%	5.0%	0.29%	30,403	4.9%	5.0%	0.30%	1.20%	1.57%	3.26%	N/A
<i>90 Day T-Bill</i>				0.24%	0.07%				0.24%				0.26%				0.25%	0.98%	1.52%	3.33%	N/A
TOTAL DEFERRED SICK LEAVE FUND	661,165	100.0%	100.0%	-1.06%	1.22%	669,008	100.0%	100.0%	3.11%	649,062	100.0%	100.0%	4.89%	618,868	100.0%	100.0%	1.78%	8.91%	8.77%	3.02%	N/A
<i>POLICY TARGET BENCHMARK</i>				-1.60%	1.00%				3.01%				4.03%				1.39%	6.92%	8.44%	3.48%	N/A

NOTE: Monthly returns and market values are preliminary and subject to change.

(1) Prior to April 1, 2004, the benchmark was the LB Govt/Credit index.